

Bases of Projections - US and USSR
GNP and End Use Comparisons

1. Total US gross national product (GNP) is projected forward at 3.5 percent per year growth. The comparable projection for the USSR is at 6 percent.

2. In the absence of any recent trend in the US pattern of end use (consumption, investment, defense), each component is assumed to increase at 3.5 percent annually. Based on recent trends in the USSR, Soviet end uses are projected at the following rates:

a. Consumption at 5 percent annually, or a 48 percent increase from 1957 to 1965.

b. Investment at 9 percent annually, or a 98 percent increase from 1957 to 1965.

c. Defense at 6.5 percent annually, or an increase of 66 percent from 1957 to 1965. This projection may in fact be higher than the Soviets plan. If less is spent on defense in 1965 than is shown on the accompanying chart, it is expected that the difference (between actual outlays and these estimates) will go to increasing investment.